Region: Northern

U.S. DEPARTMENT OF AGRICULTURE - FOREST SERVICE Page 1, FS-2400-4 (04/2012)

FOREST PRODUCT CONTRACT and CASH RECEIPT

OMB No. 0596-0085

National Forest: Flathead Ranger District: Spotted Bear (Ref. FSM 2430, FSH 2409.18, and FSH 6509.17)

Purchaser's Name a	TSA Contract No.	Sale Name: M	eadow Gorge Salvage				
		Award Date	Termination I	Date Total Sale Acre	Acres to be Cut		
			10/31/2016	677	27		
	Type of Sale: Pre	measured Sa	le Condition: Regular				
		Load Ticket Num	u:				
Purchaser's Tax Identification Number:		Sale Area Description:					
		Portions of Sections 26 and 35, and PB37 and PB38 T24N R15W, Portions of Sections 17 and 20, T24N R14W, and Portions of Sections 19, 20, 28 and 29, and PB44 and PB45, T25N R15W, Flathead County, State of Montana, PMM					
Vehicle 1	nformation:						
Year:	License Plate:	FB45, 125N K 15VV,	riatilead County	, State of Montaria, Pivilvi			
Make:	State:						
Color:	Model:	Remarks:					
Performance Bond Amo							
Original Contract: Yes	Modification No:						

INCLUDED PRODUCTS

Species	Product	Unit of Measure	Estimated Quantity	\$ Rate per Products	\$ UOM Assoc. Charges	\$ Total Products	\$ Total Assoc. Charges
Combined Softwood	Non-Saw	CCF	72.00				
	Total Quantity		72.00		Total		\$.00

UTILIZATION STANDARDS

				Min	imum Specif	fications		7
			7	ree	Piece R	Required to be	Removed	7
Species	Product	Unit of Measure	DBH (Inches)	No. of Min. Pieces per Tree	Length (Feet)	D.I.B. at small end (Inches)	Net Merch. Factor	Maximum Stump Height
Combined Softwood	Non-Saw	CCF	4.0	1	16	2.5	N/A	8

REVISED INCLUDED PRODUCTS

Species	Product	Unit of Measure	Estimated Quantity	+ or -	\$ Rate per Products	\$ UOM Assoc. Charges	\$ Total Products	\$ Total Assoc. Charges
				-				
Rev	ised Total Quantity					Revised Total S		

RECORD OF PAYMENTS

Date	Payment Amount	Bill No.	Date	Payment Amount	Bill No.	Date	Payment Amount	Bill No.

RECORD OF REFUNDS

Date	Refund Amount						

PRODUCT OUANTITY REMOVAL RECORD

Date	Qty Removed	Date	Qty Removed	Date	Qty Removed	Date	Qty Removed	Date	Qty Removed
							-		
							-		-

SIGNATURES

PURCHASER SIGNATURE	Date	CONTRACTING OFFICER SIGNATURE	Date

BURDEN AND NONDISCRIMINATION STATEMENTS

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GENERAL CONDITIONS

The Purchaser, by signing Page 1, binds the Purchaser and the Forest Service, acting through the Contracting Officer, to the contract terms.

1. The boundaries of the sale area, payment unit, and any cutting or harvesting areas are as shown on the attached sale area map, which is made a part of this contract. All sale area map detail indicating location is approximate; therefore, actual locations, as the Forest Service has designated on the ground, take precedence over the sale area map. The location of the sale area and its estimated acreage are shown on Page 1.

Valid claims are excluded from the sale area, unless the claimant authorizes, in writing, timber cutting or product harvesting on the claim, except for valid claims on which timber cutting or product harvesting is authorized under the Act of July 23, 1955 (30 USC 612, 613, and 614).

- 2. The Purchaser's failure to execute and return this contract in conformance with the terms, conditions, and requirements contained in the Contracting Officer's letter of award shall constitute repudiation of the Purchaser's bid and breach of this contract. The Purchaser agrees that the Purchaser's bid guarantee, if required in the advertisement, shall be retained by the Contracting Officer to be applied toward damages due the United States.
- 3. The Purchaser shall complete all requirements of this contract prior to the termination date. A time extension may be granted at the discretion of the Contracting Officer if the Purchaser has operated in a diligent manner.
- 4. The Forest Service has determined the estimated quantities of included products listed on Page 1 prior to award of this contract. The Contracting Officer or designee will determine any additional designated products prior to felling or harvesting during the term of the contract. The Forest Service makes no representation, warranty, or guarantee of the accuracy of the estimate.
- 5. This contract is non-transferable.
- 6. No Congress Member or Resident Commissioner shall benefit from this contract unless made with a corporation for its general benefit (18 USC 431,433).
- 7. The conditions of this contract are completely set forth, and none of its terms can be varied or modified, except by written agreement between the Purchaser and the Contracting Officer approving the contract, or the Contracting Officer's successor, or superior officer, and in accordance with the regulations of the Secretary of Agriculture.
- 8. No Purchaser, contractor, subcontractor, agent, or employee shall discriminate in performance of this contract against any person on account of race, color, religion, age, sex, or national origin.
- 9. The Forest Service agrees to sell and the Purchaser agrees to purchase, cut or harvest, and remove all included products described on Page 1. Designation(s) for cutting is (are) shown in Other Conditions. Title to all timber or forest products included in this contract shall remain with the United States until its estimated quantities have been determined by the Contracting Officer or designee and paid for and removed from the sale area by the Purchaser. The Purchaser shall not cut or harvest any timber or forest products until the Contracting Officer or designee has determined the estimated quantities and the timber or forest products has been paid for by the Purchaser.

The Purchaser shall cut or harvest and remove included products in strict accordance with the conditions on Page 1, the General Conditions, and with all conditions and requirements in the attached Other Conditions,

which are hereby made a part of this contract, and with the regulations prescribed by the Secretary of Agriculture.

The Contracting Officer or designee may designate additional timber products, if included products is timber, not included in the original volume estimate for cutting within the sale area, as needed to utilize damaged trees, trees to be removed in authorized clearings, or trees unnecessarily damaged or cut by the Purchaser. The Purchaser shall pay for additional timber at rate per products and associated charges per unit of measure listed on Page 1, in addition to any payments for liquidated damages under General Condition 15 and/or in Other Conditions. The additional timber will become included products when designated by the Contracting Officer or designee.

The Contracting Officer or designee and the Purchaser may agree in writing to make minor adjustments in boundaries of cutting units or in the timber individually marked for cutting.

- 10. As a further guarantee of the faithful performance of the provisions of this contract, the Purchaser shall maintain a cash performance bond in the amount listed on Page 1.
- 11. The Purchaser shall pay to the USDA Forest Service by the time the contract is required to be executed and returned by the Purchaser, the total sale value for total products and total associated charges stated on Page 1, for product values which includes sale area betterment funds (Act of June 9, 1930, 16 USC 576b), slash disposal funds (Act of April 24, 1950, 16 USC 490), and road maintenance deposits, if any.
- 12. The Contracting Officer or designee may, in writing, suspend operations on the sale area, including removal of included products, if the Purchaser violates contract requirements, or the Contracting Officer may terminate this contract for the Purchaser's serious or continued violations of its terms.

The Purchaser agrees to interrupt or delay operations under this contract, in whole or in part, upon the written request of the Contacting Officer: (a) to prevent serious environmental degradation or resource damage that may require termination of the contract, (b) to comply with a court order, or (c) upon determination of the appropriate Regional Forester, that conditions existing on this contract area are the same as, or nearly the same as, conditions existing on contract(s) named in such an order as described in paragraph (b).

- 13. The Contracting Officer may terminate this contract, without liability to the Government, to prevent serious environmental degradation, to comply with a court order, or for the convenience of the Government.
- 14. All monies paid under the contract shall, upon the Purchaser's failure to fulfill the terms of the contract, be retained by the Contracting Officer to be applied toward completion of Purchaser's uncompleted work or damages due the United States.
- 15. The Purchaser shall pay for unnecessary damage to or negligent or willful cutting of merchantable timber, if timber is an included product, meeting utilization standards on Page 1 at an amount equivalent to the bid rate. In view of the difficulty in determining the actual damage to the United States, the amounts specified above shall be considered liquidated damages; provided, that, if such damage involves small amounts of material, and in the judgment of the Contracting Officer or designee, is justified by existing conditions, the payments may not be required. In addition to liquidated damages, if designated for removal by the Contracting Officer or designee under General Condition 9, the Purchaser shall make payments at the rate per products listed on Page 1 for timber meeting utilization standards and for associated charges for the total quantity of material involved.

The Contracting Officer or designee shall determine rates for products per unit of measure for standing timber or other forest products if they are not included products using standard Forest Service appraisal methods.

The right, title, and interest to any product for which payment of liquidated damages has been made or which has been regularly paid for, cut, but not removed, shall remain in or revert to the United States, if not removed from the sale area at the expiration or termination of this contract.

- 16. This contract is subject to The Contract Disputes Act of 1978 (Pub. L. 95-563). Purchaser claims under this contract shall be submitted in writing to the Contracting Officer not later than 60 days after receipt of the Contracting Officer's written notice to the Purchaser that the sale is closed.
- 17. The Purchaser shall obtain certifications from its lower tier participants regarding debarment, suspension, ineligibility, and voluntary exclusion (7 CFR 3017.510). The Purchaser shall provide a copy of such certifications to the Contracting Officer at the Contracting Officer's written request.
- 18. The Contracting Officer may designate in writing a Forest Service Representative to: (a) receive notices in regard to performance under this contract, (b) take action in relation to this contract, and (c) be readily available to the area of harvest operations.

The Contracting Officer or the Forest Service Representative may designate other Forest Service on-the-ground representatives. The Contracting Officer or Forest Service Representative shall name these persons in writing along with their specific contractual responsibilities and authority and the Contracting Officer shall provide a copy to the Purchaser. The Contracting Officer shall make these delegations within 30 days of award of the contract.

- 19. The Purchaser shall buck harvested trees, if trees are included products, to use the entire merchantable stem, cut stumps no higher than the maximum specified on Page 1 when measured on the uphill side, and use material to the minimum utilization standards listed on Page 1.
- 20. The Purchaser and Purchaser's employees shall take reasonable action to prevent and suppress forest fire. Further, the Purchaser, in all phases of logging or harvesting operations, shall protect insofar as practicable: all land survey corners, telephone lines, ditches, fences, and other improvements. If the Purchaser's operations damage such improvements under this contract, the Purchaser shall restore these improvements immediately to the condition existing immediately prior to operations. The Purchaser shall handle slash and other refuse as listed in Other Conditions. The Purchaser shall pay for road maintenance commensurate with the Purchaser's use. The Purchaser shall promptly restore roads or trails damaged through such use. Specific road maintenance requirements are listed in Other Conditions and costs are included in associated charges listed on Page 1.

The Purchaser's use of existing roads may be restricted, as indicated on the sale area map and in the Other Conditions.

The Purchaser shall comply with the rules and regulations governing operation on premises that are occupied, and the Purchaser shall perform the contract in a manner that will not interrupt or interfere with the conduct of Forest Service business.

Sale Name: Meadow Gorge Salvage

OTHER CONDITIONS

1#. <u>PRODUCT DESIGNATION</u> (07/1998) The Forest Service designated timber or forest products for cutting or harvesting prior to award of this contract. The designated timber or forest products is confined to the sale area and has been designated in the following manner:

The designated timber is confined to the sale area and is designated in the following manner:

- 1) In Cutting Unit 1, individual trees to be cut are marked with Blue paint.
- 2) Designated trees includes both standing and down timber.
- 3) Unit Boundary trees are marked with orange paint and are not to be cut.
- **3.** <u>LOAD TICKETS</u> (07/1998) The Purchaser shall complete and return assigned load tickets according to the Contracting Officer or designee's written instructions. Unused load tickets shall be returned to the Contracting Officer or designee at termination date.
- **4. PRODUCT IDENTIFICATION** (11/1999) Before removal from the sale area, unless the Contracting Officer determines that circumstances warrant a written waiver or adjustment, (a) all products 8 feet or more in length and 1/3 or more sound shall be hammer branded on each end that is 7 inches or more in diameter and (b) all domestic processing products 8 feet or more in length and 1/3 or more sound shall be painted with a spot of highway-yellow paint on each end that is 7 inches or more in diameter. Each paint spot must be not less than 3 square inches in size.

The Contracting Officer shall assign brands and brands shall be registered with the State, if the sale area is within a State that maintains a log brand register. The Purchaser will furnish and apply highway-yellow paint of a lasting quality (oil-base or equivalent).

All hammer brands and/or highway-yellow paint must remain on logs until they are domestically processed. If the identifying marks are lost, removed, or become unreadable, they shall be replaced. The Purchaser may remanufacture products into different log lengths. Except for logs remanufactured as part of the mill in-feed process immediately before processing, remanufactured products must be re-branded with the assigned sale brand and repainted with highway-yellow paint, unless otherwise agreed to in writing by the Contracting Officer. For such remanufactured products, the Contracting Officer may approve use of a brand to be used exclusively as a catch brand, in lieu of the assigned sale brand.

5. <u>USE OF TIMBER</u> (07/1998) This contract is subject to the Forest Resources Conservation and Shortage Relief Act of 1990 (Act) (16 USC 620, et seq.). Except for species determined to be surplus, unprocessed logs originating from Federal lands west of the 100th meridian, shall not be exported from the United States nor used in direct or indirect substitution for unprocessed logs exported from private lands by the Purchaser or any person as defined in the Act (16 USC 620e). Prior to delivering such unprocessed federal logs to another party, the Purchaser shall require each buyer, exchangee, or recipient to execute an acceptable agreement, which shall: (a) identify the federal origin of the logs, (b) specify domestic processing for the logs involved, (c) require the execution of such agreements between the parties to any subsequent transactions involving said logs, (d) require that all hammer brands and/or yellow paint must remain on logs until they are either legally exported or domestically processed, whichever is applicable, and (e) otherwise comply with the requirements of the Act (16 USC 620d).

OTHER CONDITIONS (Continued)

- **6. EROSION CONTROL** (7/1998) The Purchaser shall: (1) not operate equipment when soil conditions are such that excessive damage will result, as determined by the Contracting Officer or designee; (2) construct erosion control structures, as needed to control erosion as determined by the Contracting Officer or designee; (3) repair promptly any existing erosion control structures damaged by the Purchaser's operations; (4) complete seasonal erosion control work prior to suspending operations; and (5) perform other soil erosion control work that may be required under this contract.
- 7. STREAMCOURSE PROTECTION (7/1998) Streamcourses which are subject to these requirements are shown on the Sale Area map. Unless the Contracting Officer or designee agrees in writing or otherwise, the Purchaser shall use the following measures to protect streamcourses: (a) Purchaser's operation shall be conducted to prevent debris from entering streamcourses; (b) Purchaser shall not otherwise haul or yard trees or products across streamcourses unless fully suspended and; (c) Purchaser shall not operate wheeled or track-laying equipment in streamcourses, except at crossings designated by the Contracting Officer or designee. In event the Purchaser's operations cause debris to enter streamcourses, the Purchaser shall remove such debris as soon as practicable, but not to exceed 48 hours, and in a manner that the Contracting Officer or designee agrees to in writing that will cause the least disturbance to streamcourses.
- **8.** TEMPORARY FACILITIES (07/1998) The Contracting Officer or designee shall approve the location and clearing limits for all landings, and skid trails prior to their construction. The cleared or excavated size of such construction shall not exceed that needed for the Purchaser's safe and efficient operations. After landings have been served the Purchaser's purpose, the Purchaser shall ditch or slope them to permit water to drain or spread. Unless the Contracting Officer or designee agrees otherwise, the Purchaser shall slope cut and fill banks around landings to remove overhangs and otherwise minimize erosion. After a skid trail has served the Purchaser's purpose, the Purchaser shall effectively block skid trail to normal vehicular traffic where feasible under existing terrain conditions and build cross ditches and water bars as staked or otherwise marked on the ground by the Contracting Officer or designee.

10#. <u>USE OF ROADS BY PURCHASER</u> (06/1999) The Purchaser's use of existing roads identified on the sale area map by the following codes is prohibited or subject to restrictive limitations, unless the Contracting Officer or designee agrees in writing otherwise:

Code	Use Limitations					
X	Hauling prohibited					
R	Hauling restricted					
P	Use prohibited					
A	Public use restriction					
W	Regulation waiver					

Roads coded A will be signed by the Contracting Officer or designee to inform the public of use restrictions. Purchaser's use of roads coded R, A, or W shall be in accordance with the following restrictions:

OTHER CONDITIONS (Continued)

Restricted Road List

Road				Map	Description of
Number	Road Name	Bridge	Milepost	Legend	Restrictions
38	South Fork Flathead	Emery	8.0	R	All vehicles must meet the Federal
38	South Fork Flathead	Tiger	12.3	R	Bridge Formula and a maximum gross
38	South Fork Flathead	Canyon	26.3	R	vehicle weight of 120,000 lbs. Any
38	South Fork Flathead	Lower Twin	48.1	R	vehicles not meeting the weight limits
38	South Fork Flathead	Upper Twin	48.5	R	above, must apply for an overload
895	W Side South Fork	SF Flathead	55.6	R	permit.
2826	Meadow Creek	Addition	3.2	R	
2826	Meadow Creek	Jungle	6.5	R	
10113	Razzle Creek	Bunker	0.9	R	

14. EQUIPMENT CLEANING (07/02/2000) Unless the entire sale area is already infected with noxious weeds, the Purchaser shall ensure that, prior to moving on to the sale area, all off-road equipment, which last operated in areas known by the Forest Service to be infected with noxious weeds, is free of soil, seeds, vegetative matter, or other debris that could contain or hold seeds. The Purchaser shall certify in writing that off-road equipment is free of noxious weeds prior to each start-up of timber sale operations and for subsequent moves of equipment to sale area. Measures taken to ensure that off-road equipment is free of noxious weeds will be identified. Off-road equipment includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles. A current list of noxious weeds of concern to the Forest Service is available at the Forest Supervisor's Office.

The Purchaser must clean off-road equipment prior to moving between cutting units on this timber sale that are known to be infested with noxious weeds and other units, if any, that are free of such weeds. Sale area map shows areas, known by the Forest Service prior to timber sale advertisement, that are free of specific noxious weeds species of concern.

The Purchaser shall employ whatever cleaning methods are necessary to ensure that off-road equipment is free of noxious weeds. Equipment shall be considered free of soil, seeds, and other such debris when a visual inspection does not disclose such material. Disassembly of equipment components or specialized inspection tools are not required.

The Purchaser shall notify the Forest Service at least 5 working days prior to moving each piece of off-road equipment on to the sale area, unless otherwise agreed. Notification will include identifying the location of the equipment's most recent operations. If the prior location of the off-road equipment cannot be identified, the Forest Service may assume that it was infested with noxious weed seeds. Upon request of the Forest Service, the Purchaser must arrange for the Forest Service to inspect each piece of off-road equipment prior to it being placed in service.

OTHER CONDITIONS (Continued)

If the Purchaser desires to clean off-road equipment on National Forest land, such as at the end of a project or prior to moving to a new unit that is free of noxious weeds, the Purchaser and the Forest Service shall agree on methods of cleaning, locations for the cleaning, and control of off-site impacts, if any. New infestations of noxious weeds, of concern to the Forest Service and identified by either the Purchaser or the Forest Service, on the sale area or on the haul route, shall be promptly reported to the other party. The Purchaser and the Forest Service shall agree on treatment methods to reduce or stop the spread of noxious weeds when new infestations are found.

- **15.** <u>PURCHASER SLASH DISPOSAL</u> Purchaser shall perform hazard reduction and site preparation work in accordance with the Hazard Reduction and Site Preparation Plan and Map which are attached hereto and made a part hereof.
- **16.** <u>LANDING CLEAN-UP</u> For the purpose of this sale, a landing is anywhere logs or products are gathered for loading. Slash from landing construction and all logging slash accumulated at landings shall be piled. Piles shall be compact, free of soil, and arranged in a mound or haystack shape to facilitate combustion. Piles shall be placed as near to the center of the landing as possible, but not to impair safe travel on system roads. Landing piles will be a minimum of FIFTEEN (15) feet from residual trees.
- **17.** <u>WILDLIFE SPECIAL PROTECTION MEASURES</u> Purchaser shall comply with the Northern Continental Divide Grizzly Bear Food Storage and Sanitation Order.
- **18.** <u>LIMITED OPEATING PERIOD</u> Mechanical and Motorized operations are prohibited on Saturdays, Sundays and federal holidays.